

How can life and retirement create new beginnings?

The next wave of life insurance and retirement



The better the question. The better the answer.
The better the world works.



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Agenda

- EY's Nextwave Life & Retirement study overview and discussion
 - Megatrends
 - Future stories
 - Future business models

Six megatrends reshaping the market

The following megatrends will reshape the global life insurance and retirement market in the next decade.

1.

Financial health and wellness

Value propositions that help people live the lives they want, with high degrees of financial security and physical and mental health.

2.

Long-term value

Valuation approaches to include more holistic, long-term metrics, rather than only short-term financial measures.

3.

Collaboration with governments and regulators

Difficult macroeconomic conditions, underfunded retirement programs and regulatory scrutiny will force more collaboration between insurers and with public authorities

4.

Ecosystems and omnichannel engagement

Ecosystems will continue to grow and mature, becoming a critical way to engage consumers with compelling propositions and cross-channel experiences.

5.

Capital optimization and convergence

Low interest rates, macroeconomic and competitive factors are driving a quest for higher capital efficiency. M&A and reinsurance are key enablers

6.

Commoditization and customization

Life insurance and retirement products become commoditized.

Six stories of market leadership in the next decade

Here's our thinking about developments in the next five to 10 years. Many of the issues are already influencing C-suite and board-level decisions.

1. Life and wellness concierge emerges as a winning formula

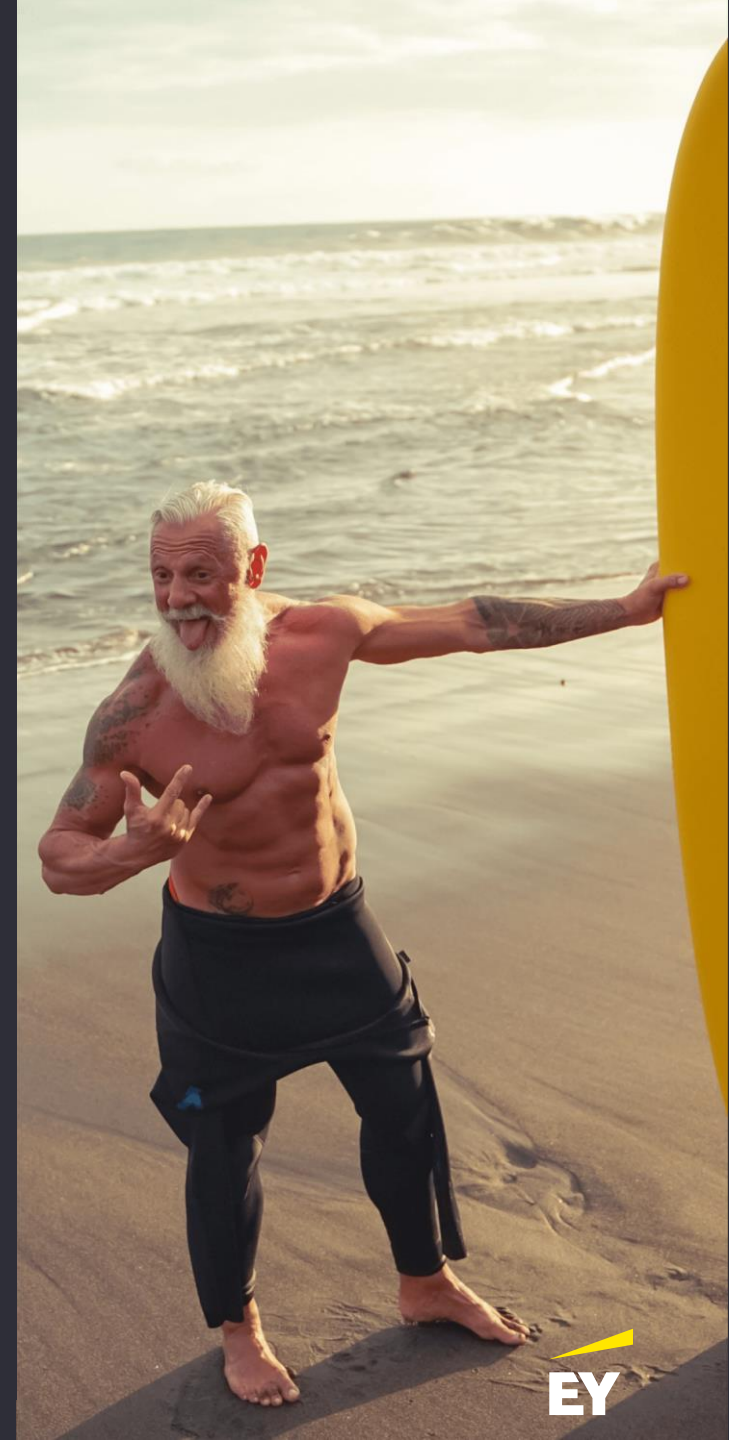
Powered by advanced analytics and AI, leading insurers build trust-based relationships and increase customer retention by 30%.

2. Subscription models gain critical mass

Comprehensive subscription offerings attract nearly 50% of the Gen Z population in selected markets.

3. Retirement 2.0 becomes reality

Designed to bridge the US\$240 trillion retirement savings gap, flexible lifetime income solutions empower new lifestyles and career paths.



Six stories of market leadership in the next decade

4. The workforce shrinks dramatically and shifts strategically

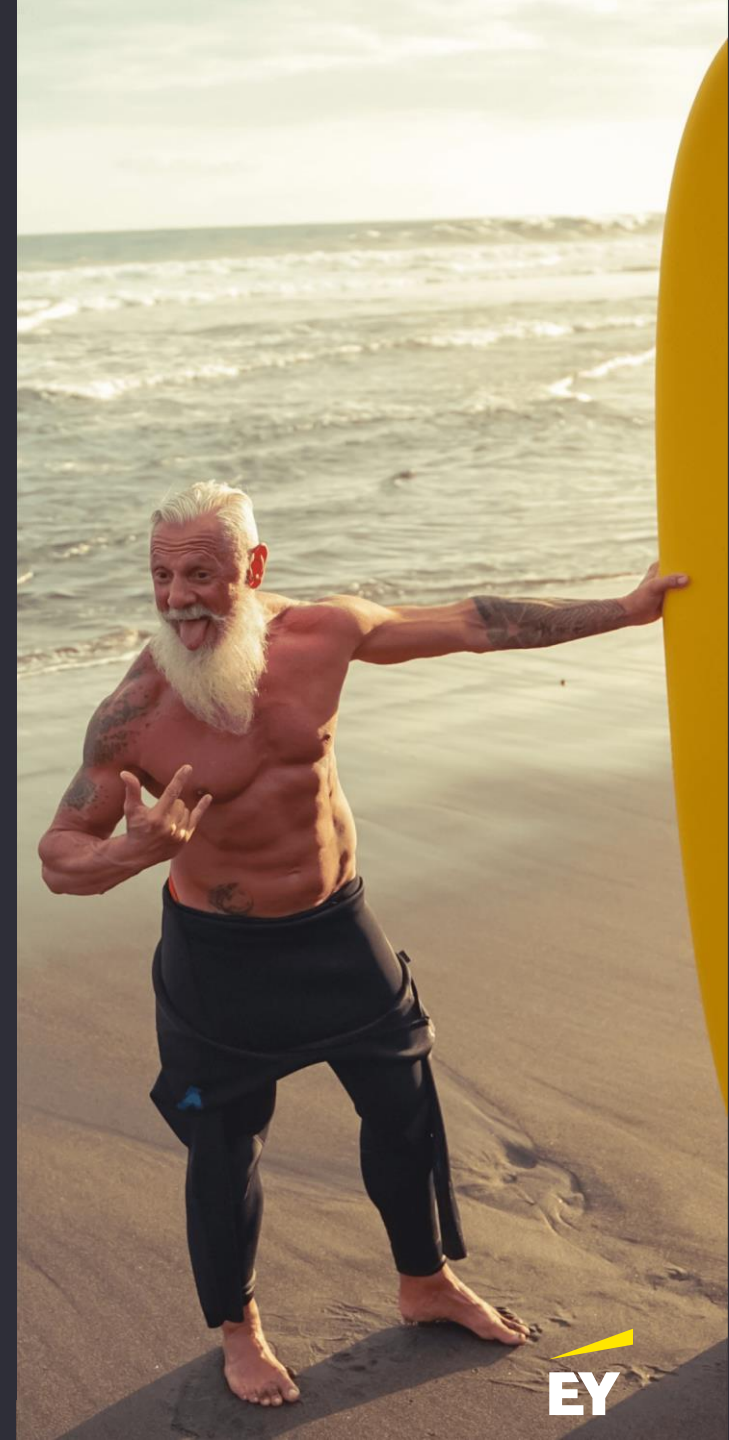
Digitization replaces 30% of insurance workers and 100% of manual processes, even as data science, tech and customer wellness jobs increase.

5. Consolidation significantly reduces the number of market players

M&A eliminates 20% of insurers as weaker players struggle post-pandemic and dynamic firms gain market share through innovation.

6. Open finance creates unprecedented access to customers

A large insurer participates in the financial lives of 100 million customers via a platform supported by a leading tech player.



Business models in 2030

The most prevalent business models of the next decade will not necessarily be mutually exclusive or one-size-fits-all. Individual companies may adopt several of them or combine features into one-of-a-kind operations uniquely suited to their distinct market opportunities, strategic objectives, geographical footprints, available capital and customer targets.

Global/regional giants:
market leaders betting big on innovation, tech and ecosystems

1

Market extenders:
established industry players branching out in new sectors

2

Segment specialists:
notable carriers aligning to target segments

3

Solution specialists:
nimble firms innovating with advanced analytics and underwriting

4

Digital challengers:
standalone, greenfield platforms seeking new segments

5

Back-book aggregators:
custodians winning with lean operations and sophisticated risk management

6



Any questions?